

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7605

BILL NUMBER: HB 1842

NOTE PREPARED: Jan 13, 2003

BILL AMENDED:

SUBJECT: Tobacco product manufacturer regulation.

FIRST AUTHOR: Rep. Mahern

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED:

**GENERAL
DEDICATED
FEDERAL**

IMPACT: Pending

Summary of Legislation: Requires a tobacco product manufacturer to: (1) certify that it is a participating manufacturer in the tobacco master settlement agreement or maintains a qualified escrow fund; (2) list the manufacturer's brand families of cigarettes; and (3) obtain a manufacturer's permit from the alcohol and tobacco commission. Requires the attorney general to electronically publish a directory of tobacco product manufacturers and brand families. Requires a foreign nonparticipating manufacturer to appoint an agent for service of process. Provides that the department of state revenue may: (1) revoke or suspend the license of; and (2) impose a civil penalty on; a distributor or stamping agent that affixes a stamp on or sells cigarettes of a manufacturer or brand family that is not listed in the directory. Allows the state to recover the costs of an action to enforce the certification requirements. Imposes a \$5,000 annual fee for a tobacco product manufacturer's permit. Deposits cigarette manufacturer's permit fees into the enforcement and administration fund.

Effective Date: July 1, 2003.

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

Fiscal Analyst: John Parkey, 317-232-9854